

# INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members  
Only

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## ARMY EXPLAINS REVERSAL OF SELECTIVE SERVICE POLICY

### Military Affairs Committee Will Not Offer Legislation to Control Occupation of 4-F's

There were three developments during the week in the manpower situation: (1) the War Department offered a lengthy and formal explanation of the "off-again, on-again" policy of Selective Service, (2) The House Military Affairs Committee announced that it would not recommend legislation to control the occupations of men classified 4-F, and (3) the War and Navy Departments and the Maritime Commission renewed their efforts for national service legislation.

#### War Department Statement

The War Department's statement pointed out that the Army must call on Selective Service 60 days in advance for its quota of men, and that intake and losses must be anticipated three months in advance. Last fall's quotas were not met, it was stated. This spring's quotas were made greater. Steadily decreasing losses and suddenly improved deliveries from Selective Service brought the Army to the required 7,700,000 by April 1.

However, the Army's need for young men became critical early this year, because practically all the men inducted during April and May will be required for combat replacements, according to the statement.

This accounts for the sudden pressure on the 18-25 age group and the relaxation on the older groups. The War Department statement makes no prediction for the future other than the following:

"One basic fact must be considered in connection with the continued emphasis on the need for men under 26. During the remainder of this year the Army will need a probable minimum of 750,000 men to maintain its strength. This leads us to one compelling conclusion. In solving our manpower problem, the first demand is that we obtain for physical contact with the enemy enough of the kind of men we need to do the job."

#### House Committee Report

On April 21, the House Military Affairs Committee approved a report of its sub-committee headed by Repre-

sentative John M. Costello (Calif.) which had studied the matter of legislation to control the occupations of men classified 4-F. The Costello Committee report included the following:

"It has been brought to the attention of the Committee that while the War Department has indicated an unwillingness to adopt and place in effect the recommendations of the committee, nevertheless the authority to do so still remains, and the committee takes the position that until it is pointed out wherein the laws which have already been enacted as a result of the committee's legislative action are shown to be inadequate, further legislation is not necessary."

Specifically, the Costello group made seven recommendations:

1. That reclassification out of 4-F of those in essential activities continue.
2. That Selective Service and War Manpower Commission list industries in which 4-F's may be granted deferments.
3. That 4-F's holding deferments be required to secure the permission of

## OPA Price Reporting Order

A number of questions have arisen as to the interpretation of various provisions of the Office of Price Administration order published in last week's INFORMATION LETTER prescribing the price data to be submitted by canners for use by the OPA in establishing prices for the 1944 pack. The OPA is being urged to prepare interpretations that will cover the questions and facilitate the compilation of the price information.

their draft boards before changing jobs.

4. That 4-F's not in essential activities be required to notify their draft boards of willingness to accept essential employment.

5. That 4-F's who are unwilling to accept essential employment be deemed subject to induction into the armed forces.

6. That they be accepted by the  
(Concluded on page 8182)

## HOUSE AND SENATE COMMITTEES CONTINUE HEARINGS ON EXTENSION OF EMERGENCY PRICE CONTROL ACT

Both the Senate and the House Committees on Banking and Currency continued their hearings on the extension of the Emergency Price Control Act at which all witnesses testified in favor of continuance of price control regulations. The House Committee, which began its hearings on April 12, devoted most of the past week to hearing the ranking officials of the Office of Price Administration, while the Senate Committee, whose hearings began before those of the House Committee, heard industry witnesses and other government officials.

In conjunction with the hearings, 30 national and 18 State retail trade associations announced through their retail federation their support of extension of the Price Control Act with suggestions for three types of amendments. The retail association suggested that the Act be extended only for one year, that the Act be amended to prevent OPA from exercising a profit control through the medium of price control, and urged provisions for a jury

trial of OPA cases and appeals from the Emergency Court to the various Circuit Courts of Appeal. This last suggestion concerning the Emergency Court is a compromise between prior suggestions that the Emergency Court be abolished and its jurisdiction given to the 93 Federal district courts, and the present provision giving the Emergency Court exclusive jurisdiction to hear cases concerning the validity of OPA regulations.

At the House hearing, Price Administrator Chester Bowles continued his testimony begun on April 12 (see last week's INFORMATION LETTER). Mr. Bowles' testimony was substantially the same as that which he had previously given before the Senate Committee (see the INFORMATION LETTER for March 18). Mr. Bowles cited figures and used charts and diagrams to show that the inflationary forces are under control in this war to a much greater extent than in the last war. He contended that farm labor and industry had had their most profitable

years in American business history. Mr. Bowles, however, admitted that the OPA Administration needs improvement and stated that new administrative methods are being studied. He testified that price enforcement must be strengthened, that better personnel, now difficult to obtain, is required, and that simplification of the regulations is being pressed for the purpose of both speeding up price action and making price administration more practicable.

Mr. Bowles was followed by James F. Brownlee, Deputy Administrator for Price, and Col. Bryan Houston, Deputy Administrator for Rationing. These officials also repeated the substance of their testimony previously given to the Senate Committee (see INFORMATION LETTER No. 978, March 25, 1944). Mr. Brownlee repeated his prior testimony that OPA defines "generally fair and equitable" prices as those determined on a comparison of the earnings of an industry for a representative peace-time period which is usually the years from 1936 to 1939. All of the OPA officials urged extension of the Act without change.

In the Senate hearings, probably the testimony most interesting to canners was that of C.I.O. President Philip Murray who on April 18 urged more vigorous price control, but claimed that the commitment to maintain the 1942 relationship between wages and prices had not been maintained by the Administration. He therefore argued that wage adjustments should be permitted in the "hold-the-line" order to remove the unbalance, and that the new line then should be firmly maintained. In support of his contention that prices and wages are not in their 1942 balance, Mr. Murray, following the Meany report on Cost of Living Increases, contended that living costs have increased 43.5 per cent between January 1, 1941 and December, 1943. The figure is contradicted by the Administration which, on the basis of Bureau of Labor Statistics figures, states that the over-all cost of living has increased during the same period approximately 25 per cent. In his attack on the "unbalance," Mr. Murray argued that the greatest increase occurred in the food field, and specifically mentioned processed fruits and vegetables as an example of failure of price control.

On Wednesday, William Green, President of the AFL, testified before the Senate Committee along lines similar to those of Mr. Murray. He criticized alleged large profits in industry's production of living commodities, and also specifically referred to processors of food. Mr. Green attacked what he called "a drive to make price control

unworkable and ineffective through piece-meal, technical changes."

Other witnesses before the Senate Committee who also urged extension of the Price Act were Mayor LaGuardia and Secretary of Navy Knox.

## WIDEMOUTH CONTAINERS

### Ceilings Established for Glass Jar Sizes Added to WPB Standard List

Dollars-and-cents manufacturers' ceiling prices are established in Amendment No. 5 to Maximum Price Regulation No. 382 for additional sizes of widemouth glass containers to provide a price list matching exactly the specifications of standard glass containers listed in the revised War Production Board order which permits their production, the Office of Price Administration announced April 19.

The original OPA regulation covering widemouth glass containers became effective in May, 1943, and established prices at July, 1941, levels. Since the regulation was put into effect, WPB has made revisions to Limitation Order L-103 which permits production of several sizes of glass containers not listed in the original OPA action.

The new amendment, which becomes effective April 24, brings the price regulation up to date, and provides prices for the additional sizes at levels consistent with prices previously established for Eastern and Western areas.

## Manufacturing Restrictions on Refrigeration Units are Eased

Through the issuance of an amendment to Limitation Order L-126 the War Production Board on April 17 removed restrictions on both the use of seamless steel tubing and the wall thickness of the tubing permitted in the fabrication and maintenance of coil or tube assemblies for refrigeration condensers or coolers. This action will result in an increased use of approximately 300 tons of seamless steel tubing per quarter, WPB estimated.

Previously manufacturers had been limited to the use of welded steel tubing of light gauge. Difficulties encountered in manufacturing and operation of condensers as a result of using this type of tubing had resulted in the splitting of tubes and hidden defects that only became evident after use, thus necessitating frequent repairs and replacements, WPB said.

## Smith to Deliver Address on External Coating of Cans

H. R. Smith of the Association's Research Laboratory staff will be among the speakers at the opening session of the Fifth Annual Meeting of the Institute of Food Technologists, which will be held at the Edgewater Beach Hotel in Chicago on May 29-31. The first session will be devoted to problems that have arisen in supplying food to the armed forces, and Mr. Smith will present a paper on "New Developments in External Coatings as Corrosion Preventives for Canned Foods."

## Pamphlet on School Lunches

"Making School Lunches Educational," publication of which has been announced by Bess Goodykootz, Acting Commissioner of Education, describes methods and offers suggestions for making the school lunch program a part of students' learning experiences, according to the Federal Security Agency.

The pamphlet expresses the U. S. Office of Education's viewpoint that the administration of school lunch programs should be vested in State and local educational authorities on the premise that school lunches are primarily an educational responsibility.

The principal educational outcomes to be sought from the school lunch include: Establishment of good habits of food selection; understanding of the importance of storing, handling, and preparing food to protect its nutritive values; cooperation of parents in helping pupils apply what they have learned; ability to share in direction and work of operating the lunchroom; and a realization that good food practices contribute to the war effort.

Copies of "Making School Lunches Educational" may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for 10 cents each.

## National War Board Chairman

Col. Everett R. Cook has been named chairman of the National War Board. In this capacity Colonel Cook will direct the War Board programs operating in each State and the 3,029 agricultural counties in the United States, and in Puerto Rico, Alaska and Hawaii.

Col. Cook has been in the cotton merchandising and exporting business for many years in Memphis, Tenn. In 1942 he was made vice-president of the Commodity Credit Corporation in charge of the Foreign Purchase Division.

### Vegetable Stocks Larger

Stocks of the principal canned vegetables held by canners on April 1, 1944, for the civilian trade, as reported by canners to the Association's Division of Statistics, are substantially larger than a year earlier. These figures are expressed in terms of cases of all sizes in the table below.

Some interest has been expressed regarding the quality of the stocks now being held. The reports received indicate that for peas about one-third of the holdings on April 1 were of Standard grade with about 5 per cent Sub-standard.

	1943 (1,000 cases)	1944 (1,000 cases)
Corn .....	3,079	3,339
Peas .....	1,374	3,341
Tomatoes .....	1,373	1,987
Green and wax beans .....	1,778	2,134

### Georgia Tomato Plant Fields Damaged by Excessive Rains

The following statement regarding the Georgia tomato plant situation is being sent to extension horticulturists in eastern tomato-producing States by the Extension Service of the War Food Administration.

Owing to excessive rains during March, a considerable portion of the acreage of tomato plants grown in southern Georgia for shipment to the canning States of the North has been so damaged that the early shipments of plants will be seriously reduced. Georgia plant growers had planned to produce about 7,000 acres of certified plants this season, and 3,000 acres had been seeded before the heavy rains occurred. A survey indicates that several hundred acres of these early plantings have been badly damaged, and about 500 acres have been or will be reseeded. It is estimated that the probable stand on much of the remaining damaged acreage may fall below 50 per cent of the normal. This means that those who customarily take plants between April 25 and May 10 will probably find supplies very greatly reduced.

With good weather it is probable that a good portion of the lost early acreage will be replanted, and that much of the remaining unplanted acreage can be seeded at about the usual time or slightly later. The total acreage, however, apparently will be less than originally planned. Certified seed is available for most of the acreage still to be planted, and production of certified plants is planned. If the weather favors planting during early April, it appears that there will be a fair movement of plants by about May 10, and heavy shipments may begin about May 15.

### Tomato and Bean Acreage to April 1 Smaller Than Last Year

Acreage of tomatoes and green and wax beans contracted to the first of April this year was smaller than that contracted to April 1, 1943, as shown by reports of canners to the Association's

Division of Statistics. The principal reason, as reported, for this smaller acreage was the shortage of labor. Details of this reported acreage, by States, are given in the following tables:

	Acreage contracted to April 1		Percentage contracted to April 1 of total planted in 1943	Percentage contracted to April 1 of total intended for 1944
	1943 Acres	1944 Acres	Per cent	Per cent
<b>TOMATOES</b>				
New York .....	22,186	22,097	91.3	79.5
Maryland .....	44,866	32,409	62.0	48.6
Pennsylvania .....	27,412	29,331	89.0	82.8
Virginia and West Virginia .....	26,681	11,473	72.7	37.9
Ohio .....	30,633	28,703	101.1	76.8
Indiana .....	92,715	98,278	88.3	75.4
Tennessee and Kentucky .....	23,213	10,005	99.2	42.0
Arkansas and Missouri .....	17,546	8,773	32.4	25.1
Colorado .....	4,670	3,918	95.3	74.1
Utah .....	9,055	3,205	99.5	38.7
California .....	40,404	51,616	36.4	41.5
Other States .....	98,778	89,000	89.8	72.3
Total .....	435,181	389,496	53.5	60.1
<b>GREEN AND WAX BEANS</b>				
Maine and Vermont .....	212	647	6.6	20.7
New York .....	9,216	6,608	64.0	42.1
Maryland and Delaware .....	9,469	6,448	55.7	34.6
Pennsylvania .....	5,350	4,732	95.7	91.8
Michigan .....	5,288	6,714	62.6	78.1
Wisconsin .....	9,508	7,817	73.6	58.5
Tennessee and Kentucky .....	6,807	3,261	88.4	42.3
Texas .....	9,548	4,297	127.3	95.6
Colorado .....	1,636	1,638	97.4	88.9
Oregon .....	4,559	4,053	101.3	97.4
Other States .....	54,588	28,167	59.6	44.0
Total .....	116,240	74,282	71.7	61.4

### Canned Squid Offer Amended

Offer of Sale Form PB-33, Miscellaneous Canned Fish, has been amended by the War Food Administration to provide specifications which shall apply to all canned squid offered thereunder as follows:

Subparagraph (a) of paragraph 4 is inapplicable and the following is substituted in lieu thereof:

Squid shall be packed from whole fresh squid in accordance with the best commercial practice and shall be packed natural with water and salt added or in brine. All squid shall be in 300 x 407 cans, 24 or 48 to the case. The average net contents of each can shall be not less than 15 ounces. For the purpose of these specifications the term "natural" means in squid ink; the term "net contents" means the weight of the fish and liquid in the can.

Offers of canned squid submitted on Offer of Sale Form PB-33, may be submitted at any time prior to May 31, 1944, for acceptance within 15 days after the date of the offer. Samples of canned squid need not be submitted with the offer of sale.

### Peanut Butter Offers Invited

The War Food Administration announces that offers for the sale of approximately 770,000 5- to 8-oz. cans may now be submitted to the Commodity Credit Corporation.

Offers may be transmitted by letter or telegram and must state the number of pounds offered; price per pound f.o.b. cars or trucks at vendor's shipping point at option of CCC; price per pound delivered New York, Philadelphia, Chicago, and St. Louis; description of container and method of packing; type of shipping container to be used, number of tins per container and net and gross weights; present location of commodity (vendor's plant or name of warehouse in which stored, city and state) and originating carrier; earliest delivery date and rate of delivery; and location of invoicing office.

All offers must be received by the Procurement Branch, Office of Distribution, War Food Administration, Washington 25, D. C., on or before 4 p. m., E.W.T., April 26.



## PORTION OF NEW RENEGOTIATION REGULATIONS AND STATEMENT OF NEW REPRICING POLICY ARE ISSUED

Renegotiation Regulations covering renegotiation for fiscal years ending June 30, 1943, were promulgated by the War Contracts Price Adjustment Board on April 10. These are only a portion of the regulations required by the new Renegotiation Act to be issued. At the same time a joint statement was issued by all renegotiating agencies setting out a repricing policy concerning future profits under war contracts to implement recapture of past profits by renegotiation.

The newly announced policy in substance is that the renegotiating agencies will require contractors to enter into agreements to eliminate profits that might occur in contracts not yet performed. The new Renegotiation Act only refers to recapture of profits for past fiscal years, but the repricing of uncompleted contracts to reduce future profits would be carried out under the repricing provisions of the Revenue Act of 1943 (see INFORMATION LETTER No. 975, March 4, 1944). If a contractor does not agree to such "voluntary" repricing, then the renegotiating agencies will employ their mandatory repricing powers granted by the Revenue Act.

As part of this repricing policy, the War Department is inaugurating an "experimental" plan for an "over-all" approach to price policies. This experiment is being undertaken with a limited number of individual companies. Under this plan the repricing of contracts would be examined in the light of the entire financial condition and pricing policies of a company. It would involve conferences with the company and with its subcontractors with whom a complete examination of all factors influencing particular prices would be discussed. It is anticipated that the new experimental plan will involve analysis of cost breakdowns, comparison of costs between manufacturers, and price analysis on a comparative basis with other manufacturers. The objective of the plan is to attempt to provide for "closer" initial contract prices.

The extent to which these repricing provisions may be applicable to contracts for canned foods is not clear. Such contracts usually cover spot sales of goods already packed and the canner is obligated thereafter to store and ship as directed. Unlike other types of war contracts, there is no continuing production.

The Renegotiation Regulations issued with the announcement of the new repricing policy of the War Contracts Price Adjustment Board set out the

authority and organization for renegotiation, the procedure for renegotiation, forms for renegotiation, and the text of the statutes and other authorizations under which renegotiation will be performed. The forms for renegotiation contained in the Regulations are those referred to in INFORMATION LETTER No. 980 for April 8, 1944, page 8157.

Of most interest to canners are the parts relating to the procedure for renegotiation. In general, the War Contracts Price Adjustment Board will first assign a contract to a particular department for renegotiation. This will be done on behalf of the Board by the Assignments and Statistics Branch, Renegotiation Division, Army Service Forces. Once an assignment has been made it continues in effect until specifically revoked by the Board.

Assignments to particular departments will be made on the basis of the industry or product classification in the interest of building up a specialized group of experts in particular fields. However, assignments may also be made on the basis of company affiliations or geographic convenience. Reassignments from one department to another department will also be based upon these same considerations.

The Board will cancel an assignment of a particular contractor on the grounds that he is not subject to renegotiation or that it clearly appears that the profits realized by the contractor were not excessive or for other "appropriate" reasons. Since a specific cancellation is required, the department or agency to which the contractor has been assigned for renegotiation may take any action necessary to preserve the Government's rights against the contractor until the assignment is specifically cancelled. The Regulations provide that cancellation of an assignment is not a "formal clearance" of a contractor. Such a clearance is obtained only through renegotiation. Accordingly, a contractor's assignment for renegotiation may be cancelled and the contractor may later be again assigned for renegotiation, providing that the statutory time limits for renegotiation are met.

To show that he is not subject to the Act, a contractor should submit a "statement of non-applicability" on a form which is set out in the Regulations. The minimum evidence to show that there were no excessive profits is the "standard form of contractor's report," which is printed in the Regulations.

Canners will also be interested to note the section of the Regulations referring to increases in excess inventory, which states that, in order to provide for "equitable treatment of the integrated producer, the 1943 Act provides for the allowance of a fair amount of cost in the exempted state for certain raw materials and agricultural commodities in the case of integrated producers who produce or acquire such materials or commodities below such state and process them. . . ." The Regulations call attention to the fact that the increase in value of excess inventory which is an amount excluded from renegotiation by the Act also applies to inventories of exempted raw materials and agricultural commodities. (See INFORMATION LETTER No. 978, March 25, 1944, page 8132.)

The other parts of the Regulations summarize the provisions of the Renegotiation Act of 1943 (compare INFORMATION LETTER No. 975, March 4, 1944) and set out in full the forms of reports to be used, the names of the various renegotiating agencies with their branches, and numerous other forms for use in connection with institution of renegotiation proceedings.

Additional parts of the Regulations are expected to be issued by the Board in the near future. The regulations will not be made available by the Board for general distribution in pamphlet form, because they will be supplemented from time to time by announcements which would make the pamphlet incomplete. The text of the Regulations may be found in the *Federal Register* and various law services.

### More Plants Earn "A" Award

War Food Administration achievement "A" awards have been earned by 12 more food processing plants. These bring the number of plants to receive the award to 100. The additional plants are the following:

Burnham & Morrill Company, Portland, Maine.  
Cranberry Canners, Inc., Hanson, Mass.  
Drummond Packing Company, Eau Claire, Wis.  
Fuhremann Canning Company, Lanark, Ill.  
Fox Valley Canning Company, Hortonville, Wis.  
H. J. Heinz Company, Salem, N. J.  
Hyland Stauford Corporation, Los Angeles, Calif.  
E. Pritchard, Inc., Bridgeton (two plants), Winslow, N. J.  
Roberts & Oake, Inc., Chicago, Ill.  
The Winter Garden Company, Knoxville, Tenn.

## GRAPEFRUIT JUICE PRICES ON SALES TO GOVERNMENT

### Order No. 3 to MPR 509 Designates March Reductions, Supplementing Previous Adjustments

Price reductions to be made by processors on government sales of grapefruit juice packed during March, 1944, were announced by the Office of Price Administration, in issuing Order No. 3 under Maximum Price Regulation No. 509, effective April 24. The price reductions for the October 1, 1943, to January 31, 1944, period were specified in Order No. 1 to MPR 509, and those for February in Order No. 2, which appeared in the INFORMATION LETTERS for March 18 and March 25, respectively.

The amount of these reductions, in cents per dozen cans, must be subtracted from the maximum prices announced February 4, 1944, for processor sales to the Government. These appeared in the February 5 LETTER and included a maximum raw fruit cost increase for the 1944 crop over the 1943 crop. Reductions provided in Order No. 3 will adjust those maximum prices so that they include only the increases actually paid by processors for the raw fruit. Increases over last year's raw fruit costs in civilian sales, which constitute about 65 per cent of the 1944 pack of grapefruit juice, are covered by a subsidy, OPA explained.

Text of Order 3 to MPR 509 follows:

For the reasons set forth in an opinion issued simultaneously herewith, and in accordance with section 2.1 (c) of Maximum Price Regulation 509, *It is ordered:*

(a) For grapefruit juice packed during the month of March, 1944, processors shall reduce the named maximum prices for government sales as listed in section 2.1(a) of Maximum Price Regulation No. 509 by the amounts set forth below respectively for the period of pack, State or area, and container size. The resulting figures shall be the processors' maximum prices for grapefruit juice packed during March, 1944, for sales to governmental procurement agencies. For the purpose of applying the monthly area grapefruit juice cost reduction the States of Florida and Texas shall be treated as two separate areas.

(b) Reduction per dozen containers:

(c) This order may be revoked or amended by the Price Administrator at any time.

This order shall become effective April 24, 1944.

### Application of CMP Regulation No. 5 to Seasonal Business

Application of the new maintenance, repair, and operating supplies (MRO) quota policy to seasonal businesses under the Controlled Materials Plan has been clarified in Interpretation 12 to CMP Reg. 5, the War Production Board has announced. Text of the Interpretation follows:

#### INCREASED QUOTAS FOR SEASONAL BUSINESSES

(a) Paragraph (f) (4) of CMP Regulation No. 5 as amended on February 26, 1944, permits the use of a specific quota authorization as an increased quota for all following quarters. Thus if a particular company's quota has been increased by specific authorization during the fourth quarter of 1943 from \$100,000 to \$125,000 the company has a quota for each succeeding quarter of \$125,000.

(b) In the case of a person operating under a seasonal quota under paragraph (f) (2), his quarterly quota varies from quarter to quarter based on the similar quarter of 1942. Consequently, when a seasonal quota has been increased by specific authorization for any one quarter, that increase does not increase all succeeding quarters, but may only be used as an increased quota during the same quarter of the following year. Thus if a company operating on a seasonal basis had a quota during the third quarter of 1943 of \$10,000, and during the fourth quarter of 1943 of \$50,000 and received an increase of the fourth quarter's quota from \$50,000 to \$60,000, its quota for the third quarter of 1944 would remain at \$10,000, although its fourth quarter quota of 1944 would become \$60,000.

(c) Where a company has received succeeding special authorizations increasing a quota, and where it is not on a seasonal basis, the last special authorization determines the company's quota during each following quarter.

Reduce maximum price named in sec. 2.1 (a) for government sales per dozen containers by amounts set forth below

State or area	Style of pack	Grade	Period of pack	No. 2 can	No. 3 cyl. can	No. 10 can
Florida.....	All.....	All.....	March, 1944.....	\$ .06	\$ .15	\$ .3180
Texas.....	All.....	All.....	March, 1944.....	\$ .00	\$ .00	\$ .0000
California and Arizona.....	All.....	All.....	March, 1944.....	\$ .105	\$ .2625	\$ .5565

## Concentrated Citrus Juices

### Declared Ration-point Free

Concentrated citrus juices have been removed from rationing, the Office of Price Administration announced April 21, in issuing Amendment No. 26 to Revised Ration Order No. 13, effective April 24.

The action will not decrease the production of single strength juices, OPA said, because the fresh citrus fruit crop is large enough to provide raw materials for both products.

The supply of concentrated citrus fruit juices is greater than was expected because of expanded production facilities and because the requirements for Lend-lease shipments have been less than expected, it was stated.

Single-strength citrus juices will continue to appear on the official table of point values for rationed processed foods. Concentrated citrus juices were not included on the official point value tables as a separate item because the point values were computed on the basis of single strength juices.

## PRICE ADJUSTMENTS FOR SECONDARY FOOD PACKERS

### Increases Permitted for Sauerkraut, Pickles, Maraschino and Brined Cherries, Grapejuice

Secondary packers of pickles and certain pickled products, maraschino and glace cherries, Concord grapejuice and sauerkraut may add to their maximum March, 1942, ceiling prices increases that have been permitted in their suppliers' maximum prices, the Office of Price Administration said April 21 in announcing Amendment No. 28 to Maximum Price Regulation No. 306 and Amendment No. 3 to MPR No. 488, both effective April 26.

Secondary packers are designated as those persons who buy these processed commodities in bulk, barrels or other large containers, and re-process or re-pack them into smaller containers.

Secondary packers have been pricing these commodities under the General Maximum Price Regulation, which "froze" their selling prices at each packer's "high" during March, 1942. When sales of these processed items by other sellers were removed from GMPR and given higher ceilings under specific regulations, no provision was made for sales by the secondary packer.

In addition, OPA said that when a seller borrows a competitor's maximum price for brined cherries, the borrowed price must be for the same grade. The word "grade" was inadvertently omitted from this provision when it was issued.

## TRUCK TIRE, TUBE PRICES

### OPA Establishes Ceilings for Sales of New Synthetic Products

New ceiling prices at retail and wholesale for new synthetic rubber tires and tubes were announced by the Office of Price Administration April 21. They are contained in Maximum Price Regulation No. 528 and Revised Maximum Price Regulation 143, both effective May 1.

This action separates for the first time ceiling prices for synthetic tires and tubes from those for natural rubber tires and tubes. At the same time the whole ceiling price structure for the rubber tire and tube industry was simplified to bring it into line with the new conditions of synthetic production.

In general, tubes and truck tires are continued at existing retail ceilings by the amendments, the action providing dealers with dollar-and-cent margins that are at least as great as they have received in the past, OPA stated.

The amendments provide a complete pricing pattern on synthetic tires and tubes for trucks, buses, trailers, off-the-road equipment, industrial equipment, farm implements, tractors and motorcycles as well as for passenger cars. In addition, the new regulation includes ceiling prices for natural rubber tires and tubes, used tires and tubes, recapping and recapped tires, and tire and tube repairing.

Conversion of the industry from the use of natural to synthetic rubber has necessitated the leveling of ceilings for principal types of tires and tubes, it was stated. Tire manufacturers are permitted by the War Production Board to make only one grade of tire in any size, ply and type. When natural rubber tires could be produced, manufacturers had several price levels on various brands. For all popular types of tires and tubes there will now be only one ceiling price for each size regardless of brand.

Other principal changes are:

1. Manufacturers' and distributors' ceilings at wholesale on synthetic and natural rubber truck, bus and industrial tires are increased  $6\frac{1}{2}$  per cent of the retail list prices which they ordinarily use with discounts to determine their prices to dealers. Retail ceilings on these tires are not increased. Dealers' margins will not be squeezed, however, for at retail these tires have generally sold at discounts of more than  $6\frac{1}{2}$  per cent from list.

2. The general level of retail ceilings for used tires and tubes is unchanged. Dollar-and-cent ceilings are continued for all sizes and types originally listed

except that the highest priced grade of tire is discontinued because of the disappearance of these used tires from the market. An important change made is in the method of determining the grade of tire for pricing purposes. It will no longer be necessary to measure remaining tread design depth in order to establish the proper price. All that will be necessary is to determine whether a tire has "continuous" tread design, is "smooth" or is "worn into body piles."

3. Retail and wholesale ceilings on recapping and recapped tires in general are continued in effect at unchanged levels. Farm tractor recapping prices are increased  $12\frac{1}{2}$  per cent to bring them in line with other recapping prices, and ceilings have been added for rice and cane special type tractor tires.

4. Dollar-and-cent retail ceilings on tire and tube repairing replace former ceilings frozen at March, 1942, levels, which are generally maintained. Wholesale pricing provisions, consistent with those for recapping, are included for tire and tube repairing.

### Use of New Tires by Food Delivery Trucks Permitted

Trucks delivering essential foods will be able to obtain new truck tires of 8 or less ply construction and all sizes of new passenger tires, under terms of Amendment 73 to Ration Order 1A, which became effective April 21.

Previously these trucks were eligible only for used truck tires of sizes smaller than 7.50-20 and used passenger tires. Under the amendment they are still eligible for these tires as well as for the additional ones.

Although additional tires have been made available for trucks, all truck operators must still obtain a ration certificate before they can buy a tire. These certificates will be issued by local War Price and Rationing Boards only after inspection of the tire to be replaced shows that it is incapable of giving further service or being repaired or recapped, the Office of Price Administration states.

Truck tires to be replaced are now being examined throughout many parts of the country by Central Truck Tire Inspection Stations. Truck operators can replace a tire under this program only after an impartial inspector certifies that it is no longer usable.

Among other changes in the tire rationing program announced April 18 by OPA was the provision that in addition to certificates for tractor or implement-type tires a Grade III certificate may now be issued for use on farm tractors or other farm implements.

### Inventory Regulation Covers New Fibre Containers

Inventory regulations applicable to new fibre shipping containers have been issued by the War Production Board. Purchasers are directed to cancel or postpone any fibre carton orders that may not be received within inventory limitations.

Direction No. 1 to Order L-317 (Fibre Shipping Containers) clarifies regulations that pertain to inventory and excessive ordering. In issuing Direction No. 1, WPB gave the following explanation of two points covered in it:

"1. (Inventory) Order L-317 prohibits the acceptance of more new fibre shipping containers than the 'maximum permitted inventories' described in paragraphs (o), (p) and (q). But the L-317 provision does not supersede Section 944.14 of Priorities Regulation 1, which prevents the delivery or acceptance of material 'in excess of the practicable minimum working inventory reasonably necessary to meet deliveries of the products of the person accepting delivery, on the basis of his current method and rate of operation.' Therefore, purchase of new fibre shipping containers is limited to permitted inventory under Order L-317 or to 'practicable minimum working inventory' under Priorities Regulation 1, whichever is less.

"2. (Excessive orders) It is prohibited to place orders for more new fibre containers than may be received under inventory regulations. Orders calling for delivery in installments may be placed, if all installments can be accepted within inventory limitations at the time specified by the purchase order. But regulations are violated if the purchaser places orders for more containers than he reasonably expects the condition of his inventory will permit him to accept at the time specified on his purchase order. Intent to cancel or reduce some orders does not permit a purchaser to place excessive orders."

Rated orders for containers are also governed by this regulation, as stated in paragraph (c) (3) of Priorities Regulation 3. Orders not conforming to these regulations must be cancelled or postponed at once, WPB said.

### Frozen Fish Prices Changed

Several changes in Maximum Price Regulation No. 364, controlling processors' and wholesalers' prices for frozen fish, have been made by the Office of Price Administration in Amendment No. 16, effective April 22.

This new schedule of prices represents a 20 per cent reduction at the processor's level under current prices.



## Frozen Fruit and Vegetable Stocks Held in Cold Storage

Stocks of frozen fruits in storage on April 1, 1944, totaled 161,221,000 pounds against 180,067,000 on March 1, 1944, and 124,392,000 on April 1, 1943, according to the Food Distribution Administration. Frozen vegetable stocks on April 1, 1944, were 129,767,000 pounds against 153,820,000 on March 1 this year and 70,478,000 on April 1, 1943. The following table furnishes details by commodities:

	Apr. 1 1943 1,000-lbs.	Mar. 1 1944 1,000-lbs.	Apr. 1 1944 1,000-lbs.
<b>FRUITS</b>			
Blackberries.....	4,083	6,263	4,856
Blueberries.....	6,201	12,664	11,059
Cherries.....	16,440	14,215	11,328
Logan and similar berries.....	2,887	3,290	2,895
Raspberries.....	11,895	13,140	11,567
Strawberries.....	20,366	16,783	13,537
Other fruits.....	43,337	86,265	83,006
Classification not reported.....	19,683	33,547	22,673
<b>Total.....</b>	<b>124,392</b>	<b>186,067</b>	<b>161,221</b>
<b>VEGETABLES</b>			
Asparagus.....	4,007	4,099	3,148
Beans, lima.....	10,359	8,499	6,956
Beans, snap.....	3,113	12,284	10,583
Broccoli, green.....	1,360	2,861	3,362
Corn, sweet.....	3,984	13,116	10,679
Peas, green.....	20,295	35,325	27,251
Spinach.....	5,321	10,476	9,711
Other vegetables.....	10,579	28,918	26,922
Classification not reported.....	11,460	38,332	31,035
<b>Total.....</b>	<b>70,478</b>	<b>153,820</b>	<b>129,767</b>

## ODT Appointments Announced

Two new assistant directors of the Office of Defense Transportation have been appointed. They are Guy A. Richardson and Henry F. McCarthy.

Mr. Richardson, director of ODT's Division of Local Transport, was named assistant director of ODT in charge of both the Division of Local Transport and the Division of Motor Transport.

Mr. McCarthy, director of the Division of Traffic Movement, was appointed assistant director of ODT in charge of that Division and of the Division of Railway Transport.

In announcing the appointments, ODT Director Colonel J. Monroe Johnson also announced the resignation of John L. Rogers as assistant director of ODT in charge of the work and personnel of the Division of Motor Transport, and stated that Brig. Gen. C. D. Young, who is on leave from the Pennsylvania Railroad, of which he is a vice-president, will continue as deputy director, the position he occupied when the late Joseph B. Eastman was director of ODT.

## Food Brokers' Directory

The 1944 Directory and Yearbook issued by the National Food Brokers Association is being mailed to members of the National Canners Association from Washington headquarters of NFBA this week. The publication includes the complete membership list of that association and contains information on the functions of food brokers. It also presents the new lists of arbitration boards and the officers and directors of the N.C.A. and the Canning Machinery and Supplies Association.

## WPB Grants Higher Rating to Manufacturers of Can Enamel

Can enamel manufacturers have been assigned an automatic preference rating of AA-2 to make it easier for them to procure raw materials for production of certain can enamels, the Chemicals Bureau of the War Production Board has announced. Their prior rating for this purpose had been AA-3. The new order (P-149) became effective April 15.

Officials explained that the order reflects the manifold increase in the demand for can enamels. WPB estimated that during 1944 the demand for can enamels will be two or three times as great as the highest consumption during any year in the past.

However, many of the raw materials that manufacturers of can enamels must obtain are in very short supply and are being drawn on heavily, especially by the paint manufacturers, with the result that the production of can enamels for the essential uses of the Army and Navy and for food packaging has been hampered, materials needed for such production having been drawn off for such less essential uses as wall and floor paints, WPB stated.

## Canned Oyster Pack for 1943

The U. S. Fish and Wildlife Service in its preliminary statement of the canned oyster pack for 1943 reports a total of 214,855 standard cases (48 No. 1 cans). This compares with a 1942 pack of 277,098 standard cases. Details of this pack by States are given in the following table:

State	Standard cases
North Carolina, South Carolina and Georgia.....	22,315
Florida and Alabama.....	17,573
Mississippi.....	85,131
Louisiana.....	79,814
<b>Total.....</b>	<b>214,833</b>

## DOCKAGE RATE HEARINGS

### U. S. Maritime Commission Will Hear Arguments on Proposed Increases for San Francisco, Oakland

Acting on numerous protests by governmental agencies, shippers, and steamship companies, the U. S. Maritime Commission has issued an order leading to hearings on proposed increases in wharfage and dockage rates at San Francisco and Oakland, Calif., the Commission announced April 18. Higher rates, which were to have become effective April 16, have been voluntarily deferred 60 days.

The grounds upon which increases were proposed were that greater revenue is required by port authorities to establish adequate depreciation reserves and to meet extraordinary maintenance costs due to intensive war use of piers. An advance of about 60 per cent in wharfage rates and substantial rises in dockage charges were sought.

Government agencies estimate the proposed scale would increase their transportation costs as follows: War Food Administration, \$30,000 per month; Treasury Department (Procurement Division), \$10,000 per month; War Shipping Administration, \$300,000 per year; Foreign Economic Administration, up to \$1,000,000 a year. These estimates do not cover Army and Navy traffic, nor additional costs at other California ports, which are understood to be planning similar increases.

Through the Pacific American Steamship Association, affected operators asserted the increases would necessitate higher transportation rates and disturb existing competitive relationships between rail and water rates. Shippers say their difficulties in meeting Gulf and Atlantic port competition would be increased.

Allegations against the increases are that they are unreasonable, unduly discriminatory because not applied on all traffic and terminal services, detrimental to commerce, inflationary and would result in unreasonable regulations and practices.

San Francisco and Oakland port authorities, along with other California ports, are members of California Association of Port Authorities under U. S. M. C. Agreement No. 7345, the object of which, among other things, is to establish and maintain just and reasonable, and as far as practicable, uniform terminal rates, etc., at the terminals of such members. Although only San Francisco and Oakland have filed increases thus far, the members of the association have agreed to publish and maintain the protested increases.

The Commission ordered that a hearing be entered upon for the purpose (1) of affording protestants an opportunity to support their allegations by evidence, and (2) of affording the parties to the agreement an opportunity to show cause, under Rule 4.10 of Rules of Procedure, why the Commission should not issue an order modifying or disapproving the agreement because of the action taken thereunder to increase rates on wharfage and dockage. The respondents to the order were allowed 15 days from date therefor to answer, after which time hearings will be scheduled at San Francisco and, possibly, at Los Angeles, Calif.

### ARMY EXPLAINS REVERSAL OF SELECTIVE SERVICE POLICY

(Concluded from page 8175)

armed forces for noncombatant duty.

7. That, if an insufficient amount of manpower is provided by these techniques, the same procedures be applied to those discharged from the armed forces (I-Cs) and to all registrants between the ages of 38 and 45.

There is nothing at this writing to indicate that the Army contemplates regulating the occupation of men in 4-F, at least in the immediate future. However, the suggestion has been made that employers, including canners, obtain from their draft boards occupational deferment for their key men now classified 4-F or 1-C, in addition to their present 4-F or 1-C classification.

Reasons for this precautionary suggestion are two-fold: (1) Some of the men now classified 4-F may be called up for new physical examinations, found fit and without an occupational classification, be promptly inducted, and (2) if by any chance a regulation compelling 4-F men to seek essential occupations should be issued, any men with their occupational classification in addition to their 4-F or 1-C classification would presumably be unaffected by such an order.

On Thursday, April 20, Secretary of War Stimson, Secretary of the Navy Knox, and Admiral Emory S. Land, Chairman of the Maritime Commission, issued a statement strongly pointing out their belief in the need of a national selective service act. The report also stated that conferences on the subject had been held with "national labor leaders" and with the U. S. Chamber of Commerce, the National Association of Manufacturers, and the Association of American Railroads. It is reported that the U. S. Chamber of Commerce and the National Association

of Manufacturers immediately expressed complete disapproval of any labor draft.

The high spots of the statement are:

"Before the end of the year we estimate that the armed services will require an additional 1,400,000 men. . .

"Most of them will be drawn from vital industries which must not only obtain replacements for their employees called to the armed services, but which must in many instances increase their working forces. . .

"From March, 1943, to March, 1944, the civilian labor force declined by 1,500,000—equal to the number of men who will be drafted into the armed forces this year. . . There are enough persons in most areas who are idle or employed in unessential work to make up these deficiencies.

"Out of every 1,000 workers employed on February 1, 1944, 65 quit. Only 53 workers are recruited to take their places. . . Where 1,000 were turning out the munitions of war on February 1, only 988 were working on February 29. . .

"In order to keep a constant force of 100 men working, an employer had to hire 72 new hands in the course of the year.

"Why are they quitting? . . . Every victory seems to inspire in thousands the belief that the war is won. . .

"We have yet to meet the major forces of Germany, and of a Japan commanding a large share of the natural wealth and human resources of eastern Asia. . . For our fighting men the war is just entering its critical stage. For our civilian labor forces there must be no relaxation of effort.

" . . . Experience has taught us that we must use selective processes to man our fighting forces; experience is now teaching us that we must invoke the same national power to provide them the weapons."

### Directors' Meeting Tentative Date Set

President G. Sherwin Haxton has announced that the Spring Meeting of the Board of Directors of the Association will probably be held the middle of the week of May 22, preceded by a meeting of the Administrative Council. Announcement is made at this time in order that members of the Board and Council may plan their engagements so as to permit attendance. Formal notification of the exact date and details regarding hotel reservations, program, etc., will be issued later.

### Meeting on Manpower Held

During the past week the regional directors of the War Manpower Commission met in Washington to discuss manpower problems and in particular the industries in which the situation was most acute.

It is understood that food processing was a major topic and that every regional director reported it as a "major problem." The details of plans for coping with the problem in individual regions were not announced, but it is understood that the regional and local staffs will be instructed to do everything in their power to obtain processing labor.

### Quarterly Carloading Forecast

Freight car loadings in the first quarter of 1944 are expected to be about 3 per cent above actual loadings in the same quarter in 1943, according to estimates compiled by the 13 Shippers' Advisory Boards.

On the basis of these estimates, freight car loadings of the 28 principal commodities will be 9,209,507 cars in the second quarter of 1944, compared with 8,943,554 actual car loadings for the same commodities in the corresponding period in 1943.

Among expected increased shipments, the Boards estimate a 4.2 per cent gain in shipments of canned foods.

### Greater Fish Output Expected

The Fresh and Frozen Fish Industry Advisory Committee held its first meeting with War Food Administration and other officials in Washington recently. The fishing industry may expect slightly more fish this year than in 1943 as a result of more fishing vessels being made available through priorities and the release of boats by the War Shipping Administration, the Committee was told by the U. S. Fish and Wildlife Service. This year's production is expected to be slightly more than the 4 billion pounds (round weight basis) produced last year. The 1944 goal of over 5 billion pounds is not expected to be reached because of still existing manpower and boat shortages.

Food Distribution Orders 70 and 90, which restrict storage space, are expected to make more space available for frozen fish this year than during 1943, WFA reported.